

Holmes P. Harden, Trustee for IHI
P.O. Box 536
Benson, NC 27504

Claim No.: 010175
Amount: \$878,383.57

Basis for Objection: Claim includes penalties. Allow \$878,383.57 as priority taxes. Allow \$178,340.35 pursuant to 11 USC 726(a) (4).

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NORTH CAROLINA DEPT. OF REVENUE
OFFICE SERVICES DIVISION
POST OFFICE BOX 1168
RALEIGH, NC 27602-1168

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF NORTH CAROLINA
RALEIGH DIVISION

IN RE:
INTERNATIONAL HERITAGE, INC.
Debtor.

CASE NO: 98-02675-5-ATS
CHAPTER 7

NOTICE OF OBJECTION TO CLAIM

NOTICE IS HEREBY GIVEN of the Trustee's Objection to Claim filed with the court on October 26, 2007 pursuant to which the trustee objects to one or more proofs of claim filed by you in the above-captioned case.

NOTICE IS FURTHER GIVEN THAT the specific basis of the Trustee's objection to your claim is as follows: **Tax claim includes penalties. Trustee requests claim be allowed as priority but penalty portion of claim be allowed pursuant to §726(a)(4).**

You should read this objection carefully and discuss it with your attorney if you have one. ANY CORRESPONDENCE MUST BE IN WRITING. Your claim may be reduced, modified, or disallowed in its entirety if the bankruptcy court sustains the trustee's objections.

NOTICE IS FURTHER GIVEN that if no response to the trustee's objection explaining your position and requesting a hearing is filed in writing with the **CLERK, U.S. BANKRUPTCY COURT, P. O. BOX 1441, RALEIGH, NORTH CAROLINA 27602-1441 with a copy to Holmes P. Harden, Trustee for IHI at P. O. Box 536, Benson, NC 27504** within **30 days of the date of this notice**, the relief requested by the Trustee may be granted without hearing or further notice. If a hearing is requested such hearing will be held on November 29, 2007 at 1:00 p.m. at the United States Bankruptcy Courthouse and Post Office Building, Room 208, 300 Fayetteville Street Mall, Raleigh, North Carolina. **Any party requesting a hearing shall attend said hearing in support of such request or (s)he may be assessed with costs.**

Dated: October 26, 2007

BY:/s/ Holmes P. Harden
Holmes P. Harden, Trustee

